

REC'D FEB 15 2012

REORGANIZATION PLAN FOR REGIONAL SCHOOL UNIT SUBMITTAL SHEET

School Administrative Units Included in APPROVED Notice of Intent	School Administrative Units Submitting Reorganization Plan
Regional School Unit No. 9	SAME as listed to the Left
Town of Starks	

Contact Information:	
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Date Plan Submitted (Final)	February 15, 2012
Proposed Regional School Unit Operational Date:	July 1, 2012

[illegible]

Reorganization Plan Cover Sheet
(Please attach Reorganization Plan as Exhibit A)

Required Elements							
Law Reference Item Number Sub- Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ¹	Need Assistance ²
3.A(1)	SAUs included in RSU		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(2)	Size of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Composition of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Apportionment of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(3)	Method of voting of the governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(4)	Composition of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Powers of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Duties of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(5)	Disposition of real & personal school property		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(6)	Disposition of existing school indebtedness (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disposition of lease-purchase obligations (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(7)	Assignment of school personnel contracts		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of school collective bargaining agreements		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of other school contractual obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(8)	Disposition of existing school funds and existing financial obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(9)	Transition plan that addresses the development of a budget for the first school year		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Transition plan that addresses interim personnel policies		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(10)	Documentation of the public meeting(s) held to prepare or review reorganization plan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(11)	Explanation of how units that approve reorganization plan will proceed if one or more units do not approve the plan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(12)	Estimate of cost savings to be achieved		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(13)	Such other matters as the governing bodies of the school administrative units in existence on the effective date of this chapter may determine to be necessary		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

² Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

Parameters for Plan Development							
Law Reference Item Number Sub- Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ³	Need Assistance ⁴
3.B(1)	Enrollment meets requirements (2,500 except where circumstances justify an exception ⁵)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sec. XXXX-36, Parameter B	When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(2)	Comprehensive programming for all students grades K - 12.		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Includes at least one publicly supported high school		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(3)	Consistent with policies set forth in section 1451		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(4)	No displacement of teachers		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	No displacement of students		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sec. XXXX-26, Parameter F	The plan must address how the school administrative unit will reorganize administrative functions, duties and noninstructional personnel so that the projected expenditures of the reorganized school unit in fiscal year 2011-2012 for system administration, transportation, special education and facilities and maintenance will not have an adverse impact on the instructional program ⁶		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collaborative Agreements							
						Yes	No
Does your plan currently include information/documentation on collaborative agreements? (not required, but encouraged)						<input checked="" type="checkbox"/>	<input type="checkbox"/>

Exceptions to 2,500 minimum

Actual number of students for which the SAU is fiscally responsible

(use the Oct. 1, 2006 numbers): 2544

Exception	Exception Claimed in Plan	Documentation Provided? (Please attach as Exhibit B)	
		Yes	No
Geography	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demographics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Population Density	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Unique Circumstances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

³ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

⁴ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

⁵ Please note in the *Exceptions to 2500 minimum* section on next page

⁶ This requirement is only for those who plan to be operational as an RSU in fiscal year 2008-2009, in accordance with a Reorganization Plan that is approved by the Commissioner and by the voters.

Explanation of Barriers –

Please use this section to explain any/all barriers identified on the previous page as a barrier in completing your Reorganization Plan.

Law Reference/Required Element	Explanation of the barrier

Assistance Needs –

Please use this section to describe your needs for assistance and from whom you need assistance.

Law Reference/Required Element	Explanation of your assistance need	Assistance needed from whom?

School Unit Reorganization Plan

Reorganization of the Town of Starks School Administrative Unit with and into Regional School Unit No. 9

Preamble:

The intent of this process is to effectuate the merger of the Town of Starks with and into Regional School Unit No. 9. By far the greatest practical impact of this reorganization on RSU No. 9 will be the positive impacts of additional students and financial resources.

In a referendum on January 10, 2012, the Town of Starks voted in favor of withdrawing from Regional School Unit No. 59 (Madison). That vote reflected earlier polling as part of an ongoing comprehensive planning process in Starks which had shown substantial support for withdrawing from RSU No. 59, and roughly equivalent support for the town joining RSU No. 9 (Mt. Blue). A number of meetings exploring that alternative took place throughout the latter part of 2010 and throughout 2011 between members of an appointed school exploratory committee from Starks, and administrators and board members from RSU No. 9. At their meeting on January 9, 2012, in recognition of this sentiment in the Town of Starks, and in accordance with the protocols established in Title 20-A MRS §1461 which governs reorganization of school units, the Selectmen of the Town of Starks voted pursuant to §1461.1 to file a Notice of Intent with the Commissioner of Education indicating the intent of the Town of Starks as a "school administrative unit" to engage in planning and negotiations with and reorganize into Regional School Unit No. 9. They did so in light of their desire to assure the Town's membership in a regional school unit on July 1, 2012 immediately on formally leaving RSU No. 59 as of June 30, 2012. Similarly the Superintendent of RSU No. 9 as a "school administrative unit" also filed a Letter of Intent to similarly engage in reorganization planning and negotiations with the Town of Starks.

Pursuant to §1461.2, the Selectmen of Starks also appointed the four members of the prior Withdrawal Committee to be their representative members of the statutorily prescribed Reorganization Planning Committee under §1461, to join with appointees from RSU No. 9 in developing this School Reorganization Plan for the consolidation of the Town of Starks with RSU No. 9 into Regional School Unit No. 9.

Reorganization Plan in Accordance With Title 20-A MRS §1461:

3.A.(1) The units of school administration to be included in the proposed reorganized regional school unit (RSU).

The school administrative units (SAUs) to be included in the merger will be Regional School Unit No. 9 (which currently consists of the towns of Chesterville, Farmington, Industry, New Sharon, New Vineyard, Temple, Weld and Wilton in Franklin County; and Vienna in Kennebec County), with the addition of the Town of Starks in Somerset County which is a newly established school administrative unit. The reorganized unit will continue to be locally called Mt. Blue, with its current emblematic mascots and colors, and officially identified as Regional School Unit No. 9.

Regional School Unit No. 9 had an enrollment of 2,301 students as of October 1st, 2011, and the Town of Starks had a total school enrollment of about 70 during the 2011/2012 school year when a part of RSU No. 59 (Madison). First year enrollment from Starks into RSU No. 9 schools during the 2012/2013 school year is anticipated to range anywhere from 50 on up depending on how many students from Starks choose to continue at RSU No. 59 pursuant to a recently approved Withdrawal Agreement from that District. There may also be a few school-age students who are currently home-schooled who will enroll in RSU No. 9.

3.A.(2) The size, composition and apportionment of the governing body.

The RSU No. 9 governing body currently consists of a school board with the following representation: Chesterville- 1; Farmington- 5; Industry- 1; New Sharon- 1; New Vineyard- 1; Temple- 1; Vienna- 1; Weld- 1; Wilton- 3; for a current total of 15 Directors. All current RSU Directors will carry forward into the RSU under their current terms and conditions. Reorganization will provide the Town of Starks with one director, for a total RSU No. 9 Board of 16 Directors. The process of electing the initial Director representing Starks is described in Section 3.A.13.D below.

There will be no town or local school committees inasmuch as all towns and schools will be fully incorporated into the RSU No. 9 system as a whole as they are now. As to Board sub-committees, at an appropriate time after July 1, 2012, the newly constituted RSU No. 9 Board will assign members to such standing sub-committees as exist, or to such ad hoc committees as shall be created, without regard for whether the individual members are from previous RSU No. 9 towns, or from the Town of Starks as a previously separate SAU. Regional School Unit No. 9 Board members shall get such pay for meetings, and such mileage reimbursement as has previously prevailed in RSU No. 9, or as shall be adjusted by the newly constituted full RSU No. 9 Board from time-to-time.

3.A.(3) The method of voting of the governing body.

The method of voting in RSU No. 9 at present consists of a majority vote of those school board Directors attending a meeting where there is a quorum of members present. The quorum at present is eight (8), but following referendum approval of this Plan, and on appointment of an Interim Director representing the Town of Starks, the quorum shall be increased to nine (9) members present. Under state statute, Title 20-A MRS §1472, SAUs are required to develop and use a method of weighted voting more accurately reflecting the populations of the towns in the SAU as they shall change from time-to-time reflecting individual town census statistics in the decennial US census.

Appendix A represents so-called "Method B" from Title 20-A MRS §1472 and reflects official population statistics from the 2010 US Census. This Plan incorporates the statutory Method B form of weighted voting into the newly reorganized RSU No. 9.

Weighted voting shall not be required in committee or sub-committee deliberations. Each member of any Board committee shall have one vote, with no weighted voting. All votes in Board meetings shall be weighted.

3.A.(4) The composition, powers and duties of local school committees to be created.

There will be no town or local school committees inasmuch as all towns and schools will be fully incorporated into the RSU No. 9 system as a whole.

3.A.(5) The disposition of real and personal school property.

There are no substantial issues of disposition of real or personal property.

All real estate, personal property, fixtures, equipment, accounts, accounts payable and receivable, trust funds and any and all other property previously owned or held by RSU No. 9 in any capacity is hereby transferred to RSU No. 9 to be held in like capacity.

The facilities in Starks previously used by RSU No. 59 for school purposes, but discontinued and turned over to the Town of Starks in June, 2010, will be unnecessary to RSU No. 9 at present and for the foreseeable future. They may, however, be useful to RSU No. 9 in the future for outreach purposes or various adult education and other purposes, and if so will at that time require discussions with the Town of Starks for such use.

No new school buildings will be needed in the reorganized RSU No. 9 since students from the Town of Starks will attend already-established schools in Farmington and New Sharon. The number of students from Starks entering RSU No. 9, approximately 50 in early years, and up to 70 in the foreseeable future, will not represent much more than the year-to-year variation in overall RSU No. 9 school population.

3.A.(6) The disposition of existing school indebtedness and lease-purchase obligations if the parties elect not to use the provisions of Section 1506 regarding the disposition of debt obligations.

On January 10, 2012, the Town of Starks in a referendum election approved a Withdrawal Agreement from RSU No. 59 which contained provisions as to obligations of the Town of Starks to pay off its proportionate bonded indebtedness related to RSU No. 59's Madison Elementary School and to also pay its proportionate participation in the 2nd year of the current RSU No. 59 Superintendent's contract. Those obligations are assumed by the Town of Starks as a municipal corporate entity, are payable by the Town of Starks on or before July 15, 2012, and do not enter here. Regional School Unit No. 9 will have no obligation with regards to those amounts.

Regional School Unit No 9 has a number of outstanding bonds including older bonds from the construction and upgrades over the years of various facilities and schools, as well as bonds from recent major construction projects at the Mallett Elementary School, and at the Mt. Blue High School/ Foster Regional Technical Center, both in Farmington, totaling \$72,895,508. All these RSU No. 9 bonds were initiated prior to the present reorganization. All former RSU No. 9 debt is carried proportionately by RSU No. 9 towns into RSU No. 9. Pursuant to Title 20-A MRS §1506, the Town of Starks has no obligation to participate in payment of any of the former RSU No. 9 debt.

The Town of Starks will, however, participate in the payment of all of RSU No. 9's year-to-year lease-purchase arrangements currently in place or put in place from time-to-time as a component of its participation in RSU finances.

3.A.(7) The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations.

All current school personnel contracts, collective bargaining agreements and other school contractual obligations will be carried forward into the newly reorganized RSU No. 9. Reorganization by the Town of Starks into RSU No. 9 will cause no change in such contracts and agreements. The Town of Starks as an SAU does not now employ any staff and will not be bringing any such staff into the reorganized RSU No. 9 from RSU No. 59. The Town of Starks will participate on a proportionate basis with all other towns in RSU No. 9 in financially supporting all personnel contracts, collective bargaining agreements and other contractual obligations as they exist now, are carried forward and are amended from time-to-time. Such participation will take place only through membership by the Town of Starks as one of many towns in the Regional School Unit, and not on the basis of any particularized outside or individual capacity.

3.A.(8) The disposition of existing school funds and existing financial obligations, including undesignated fund balances, trust funds, reserve funds and other funds appropriated for school purposes.

The Town of Starks does not now carry any undesignated fund balance, while RSU No. 9 typically carries a balance of \$400,000, more or less, from year-to-year. The precise amount in any given year is indeterminable until after June 30th, the end of the fiscal year. The entire undesignated fund balance will be transferred to the reorganized Regional School Unit No. 9. The Town of Starks as a new member of RSU No. 9 will be allowed to participate in the use of the FY 2011/2012 fund balance as of June 30, 2012 in the development of the overall RSU No. 9 FY 2012/2013 budget.

In addition, all RSU No. 9 school funds, (e.g., class year funds, activity funds (band boosters, sports boosters, etc), scholarship funds and other such funds and accounts, will be equally available to students from Starks as to students from any other RSU No. 9 town except as they may be restricted by their originator or otherwise.

The Town of Starks has no known funds available, in trust or otherwise, to be carried into RSU No. 9.

3.A.(9) A transition plan that addresses the development of a budget for the first school year of the reorganized unit and interim personnel policies.

Regional School Unit No. 9 has been and will be developing its 2012/2013 budget as it has in the past. Reorganization of the Town of Starks into RSU No. 9 should have minimal impact on the budget development process. RSU No. 9 is developing its budget in anticipation of the inclusion of approximately 50 additional students from Starks and the infusion of approximately \$500,000 in combined additional state-support and local Starks funding. That budget as developed by the RSU No. 9 Board will be used by the reorganized RSU No. 9 Board in fiscal year 2012/2013. At least one

designated individual from the Town of Starks, as appointed by the Selectmen of Starks, will be allowed to provide input into budget development discussions at the Board and Budget Committee level, though without authority to vote.

Ratification of the RSU No. 9 budget is anticipated in May or June, 2012 and will likely occur subsequent to system-wide voting on approval of this Reorganization Plan. Provided the voting on the Plan in accordance with §1461 is affirmative in both existing RSU No. 9 towns as well as in the Town of Starks, and provided further such affirmative vote takes place prior to the budget ratification process, voters of the Town of Starks will be allowed to fully participate in the budget ratification process through voting at the FY 2013 budget ratification meeting, as well as in the later referendum-style budget validation vote. This will be allowed even though the reorganized Regional School Unit No. 9 will not be formally established with the Town of Starks as a member until July 1, 2012.

There are no personnel issues inasmuch as there are no facilities within the Town of Starks being combined into the RSU No. 9 system. Further, the number of students involved, spread as they will be, throughout the RSU No. 9 system, will not give rise to the need for additional personnel. However, the infusion of the Starks-related funds may help sustain educational programming.

3.A.(10) Documentation of the public meeting or public meetings held to prepare or review the reorganization plan.

Public meetings were held as follows:

- December 29th, 2011, a public meeting was held in the Town of Starks to discuss an early proposed version of this Reorganization Plan. This meeting was held in conjunction with a statutorily required public hearing held in advance of referendum voting by the Town of Starks on January 10, 2012 on the approval of a Withdrawal Agreement from RSU No. 59 (Madison). No minutes were taken.
- January 18th, 2012, the initial meeting of the Reorganization Committee as a whole at the RSU No. 9 administrative offices in Farmington. Minutes were taken and are attached.
- January 26th, 2012, a second meeting of the Committee at the RSU No. 9 administrative offices in Farmington. Writers for the Waterville Morning Sentinel and the Lewiston Sun Journal were notified but did not attend. One member of the public attended. Minutes were taken and are attached.
- February 6th, 2012, a third meeting of the Committee at the RSU No. 9 administrative offices in Farmington. Writers for the Waterville Morning Sentinel and the Lewiston Sun Journal were notified. Minutes were taken and are attached.

Minutes of all meetings are attached as Appendix B.

3.A.(11) An explanation of how units that approve the reorganization plan will proceed if one or more of the proposed members of the regional school unit fail to approve the plan.

In the event this Plan is not approved, RSU No. 9 will adopt a budget reflecting its current status with on-going enrollment figures and will go on from year-to-year without the Town of Starks.

The Town of Starks has no current intention to start a school in-town. In the event the Reorganization Plan is rejected, then as a separate SAU without membership in an RSU, the Town of Starks will operate as a single municipal school unit until such time as it joins or reorganizes into another regional school unit. The Town will take all steps necessary to comply with state law including establishing a school board and an administrative capacity or otherwise acquiring administrative services, and will seek to place its students in surrounding RSUs including RSU No. 9 (Mt. Blue in Farmington), RSU No. 54 (Skowhegan); RSU No. 59 (Madison); and RSU No. 74 (Carrabec in Anson).

More specifically, the Selectmen of Starks will appoint an Interim School Board in accordance with statute to serve as the School Board until a regularly established School Board can be elected in accordance with state law. This Interim School Board will immediately undertake to acquire and establish administrative services, including superintendency, a special needs director, and will address any other previously identified needs, along with arranging for transportation for the coming school year. This will likely be developed through some sort of short term (one year) contractual arrangement with another local school administrative unit. The Board will also undertake discussions with the above-referenced neighboring SAUs to establish tuition rates and make determination of all other ancillary costs including reasonable contingencies. The School Board will make recommendations to the Board of Selectmen based on their findings. Prior to July 1st, 2012, the Selectmen will convene a special town meeting in accordance with statute, with warrant articles addressing the acquisition and establishment of those administrative services and functions, to vote to establish all contractual arrangements with neighboring SAUs necessary to educate the students from Starks.

If requested by the Town of Starks, Regional School Unit No. 9 has given assurances it will provide these services for one year on a contractual basis. Beyond this the Town of Starks has not initiated any discussions with any other neighboring RSUs in anticipation of the need for such contingency services and student placements.

3.A.(12) An estimate of the cost savings to be achieved by the formation of a regional school unit and how these savings will be achieved.

It is not anticipated there will be any cost savings per se in the operations of the reorganized RSU No. 9, though there will certainly be greater efficiencies in the use of buildings, facilities, buses and staff, in having the additional students from Starks in the RSU.

The Town of Starks is unable to form comparisons with prior experiences as a separate SAU since it has never operated as such. However, comparisons of local-share tax assessments in recent RSU No. 59 and RSU No. 9 budgets show a likely savings to taxpayers in the Town of Starks of three mils resulting from the transition from RSU No. 59 to RSU No. 9. These savings appear to be primarily in a reduced level of additional local funding.

3.A. (13) Such other matters as the governing bodies of the school administrative units in existence on the effective date of this chapter may deem to be necessary.

13. A. Withdrawal Agreement for Starks and RSU No. 59.

Appendix C is the Withdrawal Agreement pursuant to which the Town of Starks is a newly created School Administrative Unit having withdrawn from RSU No. 59 (Madison) pursuant to a Withdrawal

Agreement under Title 20-A MRS §1466. This Agreement was approved by the Commissioner on December 2nd, 2011, and approved by the voters of Starks on January 10th, 2012.

Certain of the purely financial elements of that Agreement are to be, and will be, fulfilled by the Town of Starks with no involvement or support from RSU No. 9, specifically:

- Paragraph 9- Financial commitments for outstanding bonds & notes.
- Paragraph 10- Financial commitments for Bonds & Notes issued during 2011/2012 (of which there were none).
- Paragraph 11- Financial commitment to the RSU No. 59 Superintendent.
- Paragraph 14- Disposition of all real and personal property- which has been accomplished.

However, a number of the responsibilities undertaken by the Town of Starks in the Agreement related to the transportation and education of the students of Starks, including all state-mandated and other administrative and educational responsibilities, and including special needs educational responsibilities, will be assumed by RSU No. 9 pursuant to this Reorganization Plan and are hereby incorporated herein, specifically including the following paragraphs of the said Withdrawal Agreement:

- Paragraph 1- Purposes- RSU No. 9 will undertake all aspects of Paragraph 1 of the Starks/RSU No. 59 Withdrawal Agreement insofar as it relates to coordinating continued enrollment and educational continuity for those students from Starks who choose to attend RSU No. 59 schools. In doing this RSU No. 9 is assuming the role of successor SAU for the Town of Starks under Paragraph 18 of the Withdrawal Agreement.

- Paragraphs 3, 4, 5 and 6 - Again, RSU No. 9 will undertake to coordinate the purposes of these paragraphs of the Withdrawal Agreement and their purposes of continued enrollment and the continuity of education of students from Starks in the RSU No. 59 system. In this role, RSU No. 9 will undertake all costs, liabilities and responsibilities for those or related functions. Further, the RSU No. 9 Superintendent shall take on the role of coordinating with the RSU No. 59 Superintendent all aspects of developing any necessary lists as envisioned by those paragraphs.

- Paragraph 7- Transportation- Though the Withdrawal Agreement does not require the Town of Starks to fund transportation of Starks students continuing in RSU No. 59 schools, Occasions may arise involving coordination of transportation with RSU No. 59 and RSU No. 9 will undertake any such coordination which seems appropriate in its own best judgment.

- Paragraphs 1, 3, 4, 5, 6, 7, 15, 16, 17, 18 and 19- In its role as successor School Administrative Unit to the Town of Starks, Regional School Unit No. 9 will undertake all administrative, educational and other functions previously assigned to the Town of Starks by virtue of the said Withdrawal Agreement, and will defend, indemnify and hold harmless the Town of Starks from any liability as to performance of any elements of the said Withdrawal Agreement other than those identified above in Paragraphs 9, 10, 11 and 14 of that Agreement.

13. B. Cost Sharing.

Regional School Unit No. 9 has historically used a cost-sharing formula based 100% on the proportionate state certified valuations of its member municipalities representing their individual fiscal capacity. The valuations used have been and will continue to be those shown on the State subsidy

printout for any given budget year being prepared. For instance the FY2012/'13 State subsidy printout shows the 2011 state certified valuation on page 4 for each of the member municipalities and it is those valuations which have been and will continue to be used. That formula will continue into the reorganized Regional School Unit No. 9.

Further, municipalities in the reorganized Regional School Unit No. 9 will share all costs, including additional local costs, in these same proportions.

13. C. Amendment of the Cost Sharing Formula.

The cost-sharing formula may be amended as follows.

A. If requested by a written petition of at least 10% of the number of voters voting in the last gubernatorial election within the Regional School Unit, or if approved by a majority of the full board of directors, the board of directors shall hold at least one meeting of municipal representatives to reconsider the method of sharing costs. The RSU shall give at least 15 days' notice to each municipality comprising the RSU of any meeting.

B. Each member municipality must be represented at the meeting or meetings by two representatives chosen at large by its municipal officers, and one member of the RSU board of directors chosen by the municipality's directors.

B-1. Prior to the first meeting of municipal representatives pursuant to Paragraph A, the RSU shall engage the services of a facilitator selected from the list maintained by the Commissioner for that purpose. The facilitator shall:

(1) At the first meeting, review and present data and information pertaining to sharing of costs within the RSU. Pertinent information may include, but is not limited to, the following:

(a) A description of the RSU's cost-sharing method, the elements involved in the calculation of each municipality's costs and a graphic depiction of the current and historic distribution of costs in the RSU; and

(b) If withdrawal of one or more RSU members is under consideration, the financial and educational impact of the withdrawal;

(2) Solicit and prepare a balanced summary of the concerns of municipal officials, educators and the public about the current method of cost sharing; and

(3) Develop a plan of action for consideration by the municipal representatives that responds to the information collected and the concerns raised. The plan of action must include a list of expectations for the conduct of the parties, options for proceeding and an assessment of the likely success of those options.

C. A change in the method of sharing costs may only be approved by a majority vote of the municipal representatives present and voting.

C-1. If a majority of the representatives from each municipality meeting pursuant to Paragraph A are unable to agree on a recommendation on what the cost-sharing method for the RSU should be, then within 15 days following the last meeting, a knowledgeable third party must be selected in accordance with rules adopted pursuant to subsection 4, paragraph C. The RSU is responsible for compensating the third party. The third party shall:

(1) Prepare a written summary of the process to date, including an assessment of the fairness,

accuracy and responsiveness of the recommendations of the facilitator engaged pursuant to paragraph B-1;

- (2) Prepare an impartial recommendation regarding changing the method of cost sharing; and
- (3) Present the summary and recommendations to the municipal representatives for their consideration.

C-2. At an advertised public hearing, the municipal representatives shall solicit public input on the third party's recommendation for cost sharing required under paragraph C-1 and any alternative method or methods proposed by municipal representatives.

D. If a change in the cost-sharing method is approved by a majority of the municipal representatives meeting pursuant to Paragraph A, the change must be submitted to the voters at a public RSU-wide meeting. It becomes effective when approved by a majority vote of the RSU in a RSU-wide referendum called and held for this purpose in accordance with Title 20-A MRS §§1501 to 1504, except that, if the proposed change is an alternative cost-sharing plan under Subsection 1, Paragraph B, Subparagraph 4, the change must be approved by a majority of voters voting in a referendum in each municipality in the RSU instead of in an RSU-wide referendum.

E. Assessments made by the school board thereafter must be made in accordance with the new method of sharing costs.

F. The secretary of the RSU shall notify the state board that the RSU has voted to change its method of sharing costs. The state board shall issue an amended certificate of organization showing this new method of sharing costs.

13. D. Election of Initial Board Members.

The Director from Starks will be elected following system-wide voter approval of this Plan with an initial term of three years. In accordance with state statute and as allowed by the specific terms of the Plan, immediately on ratification of this Plan by the voters of Regional School Unit No. 9, and by the voters of the Town of Starks, the Selectmen of Starks will appoint an Interim School Board Director to represent the Town of Starks on the School Board of RSU No. 9 until a full Director can be elected.

In consultation with the Municipal Clerk, the Selectmen will also establish a warrant for an election to take place by secret ballot and a schedule for gathering nominations, and for holding such an election in accordance with state statute. The initial term for the elected director will be for three years starting July 1st, 2012 and each term thereafter shall be for three years. The interim appointed Director shall serve until such time as an elected Director is seated.

13. E. Tuition Contracts and School Choice.

Because all towns and all schools within Regional School Unit No. 9 are wholly within the system, there will be no tuition contracts except as provided in the Starks/RSU No. 9 Withdrawal Agreement.. Neither will there be any parental right of school choice. Nor is there any intent to allow tuition contracts or allow school choice except as provided herein.

All determinations as to school assignments will be made by the Superintendent. There are situations where students from any given member town of RSU No. 9 may be assigned to one of two or more schools. For instance, elementary students from the Town of Starks may be assigned to elementary

schools in either Farmington or New Sharon depending upon geographic location within the town of Starks. Parents may request assignment to another of the schools, but it will be within the exclusive discretion of the Superintendent as to whether the request is granted. This will be true as to all school assignments.

13. F. Vote to Submit the Reorganization Plan to the Commissioner.

On February 14, 2012, the Regional School Unit No. 9 Board of Directors voted unanimously, and on February 13, 2012, the Board of Selectmen of the Town of Starks acting as the school board for Starks as a separate SAU voted unanimously, in both instances voting to submit this Reorganization Plan to the Commissioner for approval.

13.G. Regional School Units with Fewer than 2500 Students Title 20-A MRS §1461(3)(B).

As noted above, on October 1st, 2011, Regional School Unit No. 9 had a total student population of 2,301. Over the last decade or more, the student population in RSU No. 9 has generally trended lower though in more recent years it has stabilized.

Prior to the enactment of the Sinclair Act, during a period when there was a substantial number of students in the eastern portion of town, towards Madison, a third of the students from Starks attended Farmington High School or New Sharon High School. A comprehensive planning process now underway in Starks shows that in more recent years more of the town's population is now oriented towards Farmington and the greater growth in the town's population is on the western side- towards Farmington. There are now only a very few (approximately four) students in the entire eastern quarter of the Town of Starks and of those the parents of three have shown preference for having their students attend RSU No. 9 schools. The 2010 decennial census showed a population increase of 10.7%, one of the larger increases in Somerset County, and a generally young population.

Transportation of Starks students will generally be relatively easy by running buses from RSU No. 9's existing routes in neighboring Industry and New Sharon into Starks in a sweep using two or three loops:

A principal reason for Starks choosing to withdraw from RSU No. 59 and reorganize into RSU No. 9 was the far greater educational opportunities available in the RSU No. 9 schools. In comparison to its experience in RSU No. 59, and in further comparison to expected results from the Town of Starks remaining its own SAU, the exploratory committee the Starks Selectmen appointed in 2010, mentioned above, found a broader curriculum and extra-curriculum in RSU No. 9 as well as greater availability of Advanced Placement (AP) courses, higher overall AP test scores, higher graduation rates, and generally higher aspiration levels among graduates of RSU No. 9.

Generally, this Plan assists the Town of Starks in meeting its goals in providing a higher quality education for its children, while also assisting RSU No. 9 in stabilizing its finances and student population. The Plan therefore better enables the provision of comprehensive programming for all students, not only those currently in RSU No. 9, but also those coming in from Starks, and does so at all grade levels from pre-K to grade 12.

This Plan is consistent with the policies of Title 20-A MRS §1451, does not displace students or teachers or close schools, and has no negative impacts on educational finances. Finally, it does not

impact any administrative/ non-instructional function except insofar as RSU No. 9 takes on the special education responsibilities for those few students from Starks who continue to attend RSU No. 59.

13. H. Outstanding Claims and Insurance.

Appendix D represents a compilation by its outside counsel of all outstanding claims against Regional School Unit No. 9 as of February 1, 2012. At the time of its annual town audit, the Town of Starks had no known outstanding claims against it as shown by the attached advisory letter by its outside counsel dated February 6th, 2012 and attached as Appendix E.

13. I. School Closure Policy.

There are no prospects for the closure of any schools in RSU No. 9 at any time in the foreseeable future under any cognizable circumstances attendant to this Reorganization or otherwise. However, any closures will be accomplished in accordance with state law.

Appendices:

Appendix A- Method "B" Weighted Voting Spreadsheet

Appendix B- Minutes of Meetings of the Reorganization Committee

Appendix C- Withdrawal Agreement between the Town of Starks & Regional School Unit No. 59

Appendix D- RSU No. 9 Counsel Letter

Appendix E- Town of Starks Counsel Letter

Appendix A- Regional School Unit No. 9 Voting Apportionment Plan

In compliance with T.20-A MRS Sect. 1472.

Method "B" Weighted Voting - Compliant with Statute

Municipality	2010 Federal Census	Percent of Population	Total Votes (995 to 1005)	Number of Directors	Votes Per Director	Percentage Deviation of Voting Power
Chesterville	1,352	7.32%	73	1	74	7.4%
Farmington	7,760	42.00%	420	5	84	8.4%
Industry	929	5.03%	50	1	50	5.0%
New Sharon	1,407	7.61%	76	1	76	7.6%
New Vineyard	757	4.10%	41	1	41	4.1%
Starks	640	3.46%	35	1	35	3.5%
Temple	528	2.86%	29	1	29	2.9%
Vienna	570	3.08%	31	1	31	3.1%
Weld	419	2.27%	23	1	23	2.3%
Wilton	4,116	22.28%	223	3	74	7.4%
Totals	18,478	100.0%	1000	16		

$$1000 / 16 = \frac{62.50}{1000} = 6.3\% \quad \text{Average voting power per Director}$$

plus Per Section 1252

This is in compliance: The 8.4% deviation does not exceed the maximum allowable voting power of 11.3%.

$$= 11.3\% = \text{Maximum Allowed Voting Power Of Any One Director (Sect.1252)}$$

Appendix B-1
Starks / Mt Blue RSD 9 Reorganization
Minutes of First Meeting of Full Reorganization Committee
Meeting in the RSU No. 9 Board Conference Room
January 18, 2012

Attendance:

RSU No. 9 staff: Mike Cormier, Kris Pottle, Leanne Condon

Committee Members: Mark Prentiss, Ernie Hilton, Diane Russo, Paul Frederic, Kerry Hebert, Bill Reid, ~~Paul Droun~~-(E);

Public: Nancy Lakin,

Business:

Chair for the Committee --

Motion that Ernie Hilton chair the committee: Michael Cormier

Seconded: Paul Frederic

Vote: Unanimous

Weighted voting – Establish it as we create the plan and embed it within the plan.

Review of the draft School Unit Reorganization Plan

A.5 –

Children in Starks who would like to remain in MSAD #59 will be covered the first year in the withdrawal plan and are able to continue on with this through graduation. If students desire to join RSU #9 in the second year or move from RSU #9 to MSAD #59, this will have to be by formal Superintendents' Agreement on an annual basis.

Bill Reid walked in at 6:25 p.m.

A.6 –

Total bond debt is now \$72,895,508. The state pays all the debt to the bond bank, although there is a local amount, which will be backed out by the state. The annual payment in terms of local debt service (for all construction) is approximately \$520,000 or a little less than a half mil – this is in terms of the principal.

A.7 –

Take out "little or" from "Reorganization by the Town of Starks into RSU #9 will cause little or no change in such contracts and agreements."

A.9 –

Take out the following

"As part of this Plan, the use of the first year funding arising out of the infusion from Starks will be –

Mt. Blue RSD discussions for future plans have included

- World language immersion program at the elementary level.
- Increase CTE offerings

In terms of the budget process and how to come on board, we will invite Starks to sit and observe the budget subcommittee meetings (comprised of board members and administrators). Newly elected board members and the current Starks board members are welcome to attend and observe board meetings from election to July 1 of that year. At that time new members will become voting members.

A.11 –

If deadlines are missed and we cannot make the plan work by July 1, 2012, we will offer our services to help during the transition period.

A.13 –

List out the expenses in the Withdrawal Agreement.

It would be helpful to have the language in the Withdrawal Agreement from PP 3, 4, 5, 6, 7, 15, 16, and 17 added to the School Unit Reorganization Plan.

There may be a way to build the Starks students into our enrollment, which would affect the 279. Mike will check with the state on this.

Next meeting –

Thursday, 1/26/12, at 6:00 p.m. in the RSU #9 in the board conference room.

Mike will provide snacks and send Ernie contact information for area newspapers.

We will work together to provide a transition plan for families introducing them to our schools and community.

Adjourn: 8:00 PM

Appendix B-2
Starks / Mt Blue RSD 9 Reorganization
Minutes of Second Meeting of Full Reorganization Committee
Meeting in the RSU No. 9 Admin Office.
January 26, 2012

Attendance:

RSU No. 9 staff: Mike Cormier

Committee Members: Mark Prentiss, Ernie Hilton, Diane Russo, Paul Frederic, Kerry Hebert, Bill Reid, Paul Druan, and Bob Pullo.

Public: Nancy Lagin,

Business:

Review of the draft School Unit Reorganization Plan

Last Thursday Ernie sent a draft of the plan to DOE for their review.

The committee reviewed the suggestions offered by DOE on what was completed. Jim Rier spoke with Ernie and proposed a few changes. Templates were sent by DOE for the committee to use.

A.12 p. 5

The penalty does not exist any longer.

B. Cost Sharing

Jim Rier stated that all mention of a specific statute needs to be avoided since it is in the old SAD law and is subject to repeal at any time. If the sharing formula seems to be dependent on the statute, and the statute disappears, then the cost sharing formula could be deemed to have disappeared.

§1461.3A.9

Jim Rier felt that the town of Starks would have sufficient standing to participate in the budget process as indicated in the plan. The plan provides for participation by voters of Starks that is conditioned upon the approval of the plan. Ernie amended the language to reflect this suggestion. Discussion ensued.

Suggestions from Suzan Cameron:

- In Preamble, first sentence change "joinder" to "merger" and change "Mt. Blue school system" to legal name "Regional School Unit No. 9".
- They cannot use the "Mt. Blue School System" as an "official" name – the legal name would be Regional School Unit No. 9. However, the law allows the RSU board to select an unofficial name – §1476(1).
- 3.A.(9) Transition Plan for the development of the new 2012-2013 budget and the Town of Starks role should be reviewed by Sarah.
- 3.A.(11) If the reorganization fails the Town of Starks may have to exist as a separate SAU for at least one year – this section needs to address this possibility.
- Did not address the process of amending the cost-share formula – a method on how to amend the cost-sharing formula must be included in the plan as required by §1481-A(3)(B).
- Suggest they add a section in 3.A.(13) to address the election of the initial board member for Starks.
- Most plans included a section in 3.A.(13) that indicates whether or not they have tuition contracts or school choice.
- Most plans included a section in 3.A.(13) that indicates the two parties have voted to submit the reorganization plan
- Most plans included a section in 3.A.(13) that indicates whether or not the two parties any claims – Insurance, legal, workers compensation, etc.

Mike will get a letter from legal counsel regarding the above-mentioned item.

Next meeting –

February 6, 2012, at 5:00 p.m. in the RSU #9 in the conference room of the Central Office. Mike will provide snacks and send Ernie contact information for area newspapers.

We will work together to provide a transition plan for families introducing them to our schools and community.

Adjourned: 7:25 PM

Appendix B-3
Starks / Mt Blue RSD 9 Reorganization
Minutes of Third Meeting of Full Reorganization Committee
Meeting in the RSU No. 9 Admin Office.
February 6, 2012

Meeting opened at 5 PM:

Attendance:

RSU No. 9 staff: Mike Cormier, Leanne Condon

Committee Members: Mark Prentiss, Ernie Hilton, Diane Russo, Paul Frederic, Kerry Hebert, Bill Reid, Paul Druan, and Bob Pullo.

Public: None

Business:

Approval of the 1/26/12, Second Meeting Minutes --
Vote: Unanimous

Review of the draft School Unit Reorganization Plan

Suggestions made by Richard Spencer -- Lawyer for RSU #9

- On page 4 recommends the new quorum will be nine members present
- In accordance with the withdrawal agreement page 9, PP1
- Page 11, PP 13 E – The students attending MSAD 59 close after June 30, 2013, and then any changes would require a superintendent's agreement.

Review of Other Information –

Dr. Cormier had asked for and was given RSU No. 9's insurance loss runs for the last three -- four years. There are no outstanding claims filed in Court. A decision on an RSU #9 arbitration matter is due in the middle of February. Mike was concerned about circulating the compilation due to there being individual's names in the list which might implicate privacy concerns. Ernie explained to the Committee members from Starks that they had a due diligence duty to inquire about these to see if there might be fiscal impact on Starks. Mike assured that all issues are covered by insurance and there is nothing out of the ordinary about any of them.

A completed Checklist was given to Ernie Hilton by Dr. Cormier.

Starks town selectmen at some point will need to appoint an interim school board member.

Starks Selectmen will ratify the Plan on 2/13/12, and the RSU #9 Board will vote to ratify the Plan at the 2/14/12 school board meeting.

Jim Rier indicated to Mike that the state will push through the anticipated enrollment of 50

students from Starks, and the funds representing those students for the upcoming school year.

The committee discussed road conditions in Starks. If roads are impassable, there are times the bus may not be able to go down certain roads. Parents are notified as soon as possible.

Discussion of the Voting Procedure –

We will send in an interim submission as soon as possible. Then the final submission will take place after the Starks Selectmen and RSU #9 Board approvals. Following voter approval of the Reorganization Plan, the Commissioner will send a Certification.

Comments by the Public – None

Vote --

Motion to Approve the Reorganization Plan and submit to MDOE: Bob Pullo

Seconded: Kerry Hebert

Vote: Unanimous

All Committee members signed the Submission. Ernie will send the complete package in to DOE tomorrow or as necessary.

Other –

We will work together to provide a transition plan for families introducing them to our schools and community.

It appearing this is the end of the necessary work of the Reorganization Committee, the meeting was adjourned.

Adjourned: 5:36 PM

Appendix B-4

Town of Starks Minutes Meeting of the Selectmen February 13, 2012

Present: Paul Frederic; Joseph Miller; Cynthia Kimball

Absent: None

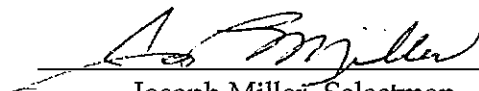
At a regularly scheduled meeting of the Selectmen of the Town of Starks held this 13th day of February, 2012 at 7 PM, on discussion of a proposed reorganization of the Town of Starks as a newly created independent School Administrative Unit (SAU) with the SAU known and identified as Regional School Unit No. 9 (Mt. Blue), and following discussion of the Reorganization Plan with Exhibits as approved by the so-called Reorganization Committee on February 6th, 2012 and submitted on an interim basis to the Maine Department of Education on the 7th, and after having solicited public comment from those present, it was:

Moved that the said Reorganization Plan as approved by the Reorganization Committee on February 6th, 2012 be and hereby is approved by the Selectmen of the Town of Starks, acting on behalf of the Town of Starks as a School Administrative Unit.

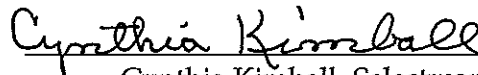
On vote, the Motion was approved unanimously by the Selectmen this 13th, day of February, 2012.



Paul Frederic- Selectman



Joseph Miller- Selectman



Cynthia Kimball- Selectwoman

Appendix B-5
Regional School Unit No. 9
Minute Regarding Reorganization
Meeting of the School Board of RSU No. 9
February 14, 2012

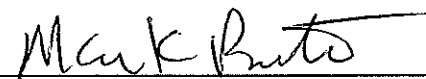
Staff Present: Michael Cormier; Leanne Condon


At a regularly scheduled meeting of the School Board of Regional School Unit No. 9 held this 14th day of February, 2012 at 7 PM, a quorum of the Board being present and voting, on discussion of a proposed reorganization and merger of the Town of Starks as a newly created independent School Administrative Unit (SAU) with and into the School Administrative Unit known and identified as Regional School Unit No. 9 (Mt. Blue); and following discussion of the Reorganization Plan with Exhibits as approved by the so-called Reorganization Committee on February 6th, 2012, and submitted on an interim basis to the Maine Department of Education on February 7th, 2012; and having noted that the Selectmen of Starks approved the said Reorganization Plan unanimously at their meeting on February 13th; and after having solicited comment from those members of the public present, it was:

Moved as follows:


- First, that the said Reorganization Plan as approved by the Reorganization Committee on February 6th, 2012, be approved by the School Board of Regional School Unit No. 9, acting on behalf of RSU No. 9 as a School Administrative Unit;
- Second, that in accordance with statute the entire Reorganization Plan with Exhibits be submitted to the Department of Education as a so-called Final Submission;
- Third, that RSU No. 9 coordinate with the Town of Starks to schedule and hold suitable public hearings and referendum elections in accordance with applicable statutes;
- Fourth, that the Administrators of RSU No. 9 take all steps necessary to continue the reorganization process as appropriate.


On vote, the Motion was approved by the Directors present whose names and signatures appear below, this 14th day of February, 2012.


Mark Prentiss- - Chair

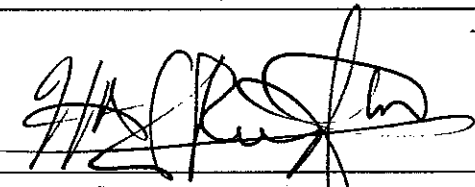

- Member

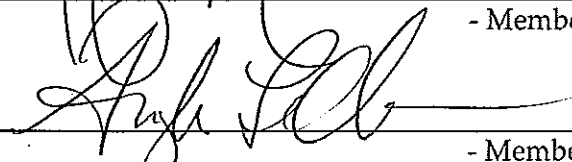

- Member

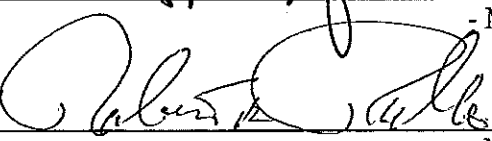

- Member


- Member


- Member


- Member


- Member


- Member

Helen M. Wilkey - Member

- Member

- Member

Tris R. R. - Member

- Member

- Member

- Member

- Member

**Final Withdrawal Agreement
Between
RSU 59 and The Town of Starks Withdrawal Committee**

This Agreement dated as of November 30th, 2011, by and between RSU 59, a Maine regional school unit comprised of the municipalities of Athens, Brighton Plantation, Madison, and Starks (hereinafter "RSU 59" or the "District") and the Town of Starks Withdrawal Committee, a duly appointed municipal withdrawal committee for the Town of Starks (hereinafter "Starks" or the "Town") organized in accordance with 20-A MRS §1466(4)(A).

1. **Purposes.** The purposes of this Agreement are:
 - 1) To provide for the timely and orderly withdrawal of Starks from RSU 59;
 - 2) To provide educational continuity for those students residing in Starks who wish to continue their education with RSU 59; and
 - 3) To allocate RSU 59's financial and contractual obligations, and its assets, between RSU 59 and the new school administrative unit that includes, or is comprised of, Starks (hereinafter the "New Starks SAU"), as of the effective date of Starks' withdrawal in a manner that fairly takes into account the continuing educational needs of students, the continuity of educational programs and the goal of avoiding sudden or excessive increases in property taxes. For purposes of this Agreement the term "New Starks SAU" includes any school administrative unit that is comprised solely of Starks or that includes Starks as a member during the term of this Agreement. By way of example, if Starks becomes a municipal school unit the term "New Starks SAU" would encompass the Starks municipal school unit, and if Starks were to join RSU 9, the term "New Starks SAU" would include the reconstituted RSU 9 with Starks as a member.
2. **Withdrawal.** Pursuant to 20-A MRS §1466, the Town shall withdraw from RSU 59 in accordance with the terms of this Agreement as of June 30, 2012, and thereafter shall no longer be a member of the RSU 59 school administrative unit. As of July 1, 2012, the Town shall either become a member of RSU 9 or, alternatively, shall become a separate municipal school administrative unit comprised solely of Starks.
3. **Right to Continued Enrollment.** During the first year after withdrawal (i.e. from July 1, 2012 to June 30, 2013) students residing in Starks may attend the RSU 59 school they would have attended if Starks had not withdrawn from the District. The Superintendent of the District and the Superintendent of the New Starks SAU (hereinafter the "Superintendents") shall confer with each other and shall develop a list of those K-12 students residing in Starks who have enrolled in RSU 59 schools. On or before November 15, 2012, the Superintendents shall jointly certify to the Town Clerk of Starks an initial list of those students who reside in Starks who have enrolled in the District's schools for the 2012-2013 school year. During the 2012-2013 school year, additional students residing in Starks may enroll in the District's schools in accordance with 20-A MRS §1466(4)(A)(1). On or before June 30, 2013, the Superintendents shall confer with each other again and shall jointly certify to the Town Clerk of Starks a final list of those students residing in Starks who were enrolled

in the District's schools at the end of the 2012-2013 school year (hereinafter the "Final List" consisting of "RSU 59 Enrolled Students").

4. **Continuity of Educational Program.** Students enrolled in the District's schools at the end of the 2012-2013 school year as shown on the Final List shall have the right to continue their education at District schools until such time as they have graduated from high school, unless that right is sooner terminated under the terms of this Agreement. A student's right to continue to be educated at District schools shall terminate if the student discontinues his or her enrollment at a District school for a continuous period of 90 calendar days between September 1 and June 15 of any school year, whether by enrolling in another school administrative unit or private school, dropping out, or being expelled and not readmitted within 90 days. Notwithstanding the foregoing, a student's failure to attend a District school for a continuous period of 90 days due to health reasons, out-of-district special education placement, or travel or study abroad, shall not terminate a student's right to continue to attend District schools under this Agreement.
5. **State Allocation and Tuition.** In consideration of the release by the Town of Starks of its share of the undesignated fund balance at the end of FY 2011-2012, and notwithstanding the provisions of 20-A MRS §1466(4)(A)(1), the New Starks SAU shall not be required to pay tuition for students residing in Starks who are enrolled in District schools under paragraph 3 of this Agreement (hereinafter the "RSU 59 Enrolled Students") during the 2012-2013 school year and thereafter, but rather the District shall receive from the Maine Department of Education the State allocation for the RSU 59 Enrolled Students as calculated under 20-A MRS Chapter 606-B and any additional State allocations for transportation and special education to be paid to the District under this Agreement.
6. **Special Education.** RSU 59 shall provide all special education services to RSU 59 Enrolled Students from Starks required by the IEP prepared by each student's IEP Team to the extent RSU 59 has an appropriate program to meet the terms of the IEP and applicable requirements of Maine law and regulations. Except for short term programming changes of not more than 10 school days, decisions about whether RSU 59 has an appropriate program or placement for a student pursuant to the requirements of the IEP shall be made by RSU 59 after a careful review of the IEP for the student and consultation with the New Starks SAU's Director and/or Assistant Director of Special Services. In no event shall RSU 59 refuse to provide needed special education services as provided in the IEP, except for student removals of not more than 10 school days or when RSU 59 has determined, after consultation with the New Starks SAU's Director and/or Assistant Director of Special Services, that RSU 59 does not have an appropriate program or placement for that student.

The New Starks SAU's Director and/or Assistant Director of Special Services shall represent the New Starks SAU for special education programming, supervision of the IEP Team process, and supervision of the student evaluation process for RSU 59 Enrolled Students. In the event the IEP Team is unable to reach consensus on issues that are the responsibility of the Team, the New Starks SAU's representative at that Team meeting shall make the decisions on those issues, subject to the parent's due process rights in relation thereto. RSU 59 personnel will work cooperatively with the New Starks SAU's Director and/or Assistant

Director of Special Services and other staff, and, upon request will provide the Director and/or Assistant Director of Special Services with all information regarding classroom observations, student performance, academic achievement testing and functional behavior assessment components of the student evaluation process.

The New Starks SAU's Director and/or Assistant Director of Special Services may provide input to RSU 59's special education coordinator (or other administrative designee) on the proper implementation of RSU 59 Enrolled Student IEPs, or perceived deficiencies in IEP implementation. RSU 59 shall consider that input seriously and in good faith and RSU 59 shall respond in an appropriate manner consistent with the terms of this Agreement.

In accordance with Chapter 101 of the Rules of the Maine Department of Education, Maine Unified Special Education Regulation, Section IV(4)(A) and (B), the New Starks SAU shall be responsible for the costs of special education for the RSU 59 Enrolled Students during the 2012-2013 school year and thereafter. The New Starks SAU shall reimburse RSU 59 for the special education costs of any RSU 59 Enrolled Student who qualifies as a high cost in-district or high cost out-of-district placement, including special education transportation costs and costs for facilities modifications required to accommodate the student, to the extent such costs exceed the sum of the per pupil base rate for special education students in grades K-12 as calculated by the Maine Department of Education pursuant to 20-A MRS §15681-A(2) and any additional allocation that may be provided to RSU 59 by the Maine Department of Education for that student. The District shall bill the New Starks SAU for such excess special education costs during the fiscal year in which those excess special education costs are incurred.

7. **Transportation.** The District shall provide transportation to and from a single location in Starks to the RSU 59 Enrolled Students pursuant to this Agreement during the 2012-2013 school year. That location may be at no greater distance from the Starks/Anson town line than the Starks Community Center. Once the route to and from the single location in Starks has been determined, the District may, at its discretion, pick up and drop off students who reside along that route. Otherwise, the RSU 59 Enrolled Students shall be picked up and dropped off at the single location in Starks. The New Starks SAU shall not be responsible for the costs of such transportation to the extent those costs exceed the K-12 per pupil transportation allocation provided to the District by the State for that year.

After the 2012-2013 school year, the District may, in its discretion, provide transportation to and from a single location in Starks to the RSU 59 Enrolled Students. In the event the District determines it is not feasible to provide transportation to the RSU 59 Enrolled Students in any school year after the 2012-2013 school year, neither the District nor the New Starks SAU will have an obligation to provide transportation between Starks and RSU 59 to RSU 59 Enrolled Students.

8. **Need for School Construction.** There are approximately 70 students in grades K – 12 who reside in Starks. In 2010, the RSU 59 School Board voted to close Starks Elementary School on the grounds that the school was unnecessary and unprofitable to maintain. The Town of Starks voted not to keep the school open at the Town's expense. The Starks Withdrawal

Committee does not anticipate the reopening of that school or recommend that any new school construction be undertaken to serve the students residing in Starks. The preferred option of the Starks Withdrawal Committee is for Starks to join RSU 9 on the date the withdrawal from RSU 59 becomes effective. RSU 9 is now in the process of renovating the W. G. Mallett School in Farmington and is also engaged in a substantial renovation and expansion of the Mt. Blue High School/Forster Tech Center which will be complete in the fall of 2013. In addition, if Starks were to join RSU 9, elementary students residing in Starks could attend the Cape Cod Hill School in New Sharon. The withdrawal of students residing in Starks from RSU 59 will not create a need for new school construction in Starks, RSU 9 or RSU 59.

9. **Financial Commitments from Outstanding Bonds or Notes.** RSU 59 is indebted on bonds issued for the construction of Madison Elementary School in 2000. These include bonds for State-approved debt service and bonds for local-only debt service. Under 20-A MRS §1466(16) when a municipality withdraws from a regional school unit having outstanding indebtedness, the RSU remains intact for the purpose of retiring and securing that debt, but the withdrawal agreement may provide for an alternate means for retiring that outstanding indebtedness.

A. **State Approved Debt Service:** As an alternate means of retiring the existing State approved indebtedness for the Madison Elementary School under 20-A MRS §1466(16), the Maine Department of Education will pay the portion of the debt service allocation for the existing State-approved debt service for the Madison Elementary School which is allocable to Starks each year directly to the Maine Municipal Bond Bank to retire Starks' allocable portion of the principal and interest of that State-approved indebtedness. If, in any year, the Maine Department of Education fails to pay in full Starks' allocable share of the District's existing State approved debt service for the Madison Elementary School under this paragraph, the Town of Starks shall remain a part of the District for purposes of securing and retiring that outstanding indebtedness as provided by 20-A MRS §1466(16).

B. **Local-Only Debt Service:** The principal and interest payments due on bonds for local-only debt service from July 1, 2012 through November, 2021 will total \$311,782.57. In FY 2011-2012, the percentage of locally raised funds for RSU 59 to be assessed against taxable property located in Starks is 5.73%. As an alternate means of retiring the existing local-only debt service for the Madison Elementary School under 20-A M.R.S. §1466(16), Starks will make a lump sum payment to the District of \$17,865 (5.73% of \$311,782.57) on or before July 15, 2012. In consideration of this payment, the District shall release, indemnify and hold Starks harmless from any further liability relating to this local-only debt service.

10. **Financial Commitments for Bonds or Notes Issued During FY 2011-2012.** During FY 2011-2012 the District may issue bonds or notes or enter into lease purchase financing arrangements to upgrade facilities at the District's schools. If Starks withdraws from the District as of June 30, 2012, under 20-A MRS §1466(16) the RSU will remain intact for purposes of retiring and securing that indebtedness. Since Starks will not receive significant

benefit from the improvements financed by such debt, as an alternate means for retiring this indebtedness under 20-A MRS §1466(16), RSU 59 hereby agrees to retire such debt by assessing the taxable property in the remaining towns in the District and further agrees not to assess taxable property located in Starks for that purpose.

11. **Distribution of Financial Commitment to Superintendent.** RSU 59 has signed a two year contract with the Superintendent of Schools of the District for a term that runs from July 1, 2011 through June 30, 2013. For the year of the contract following the June 30, 2012 withdrawal date, the District's total financial obligation under his contract is estimated to be \$99,000 in salary plus \$14,431.64 in benefits and costs, totaling \$114,431.64. 5.73% of this amount is \$6,556.93. Accordingly, on or before July 15, 2012, Starks will make a lump sum payment to the District of that amount plus its proportionate share of any cost-of-living increase provided by the Board up to a maximum total payment of \$7,000.
12. **Collective Bargaining Agreements.** The withdrawal of Starks from RSU 59 will not directly affect any of the District's collective bargaining agreements.
13. **Continuing Contract Rights under Section 13201.** The withdrawal of Starks from RSU 59 will not affect the continuing contract rights of teachers or other employees subject to collective bargaining agreements.
14. **Disposition of Real and Personal Property.** The RSU 59 School Board voted to close Starks Elementary School in 2010 and Starks voted not to keep the school open at Town expense. RSU 59 removed any personal property of continuing use to the District and then conveyed the school and its site back to the Town. Accordingly, there are no outstanding issues of personal or real property as between the District and Starks resulting from the withdrawal of Starks from the District.
15. **Transition of Administration and Governance.** The Town has been in communication with RSU 9 (Mt. Blue) regarding the possible addition of Starks to RSU 9. It is the intent of the Starks Withdrawal Committee that a vote to approve this Withdrawal Agreement take place in the fall of 2011, that voting on approval of a Reorganization Agreement with RSU 9 take place in mid-winter of 2011/2012, and that Starks be reorganized into RSU 9 as of July 1, 2012. If the addition of Starks to RSU 9 is approved by the Commissioner of Education and the voters of RSU 9 and Starks, the administration and governance of education for students residing in Starks, other than RSU 59 Enrolled Students, will be transferred directly from RSU 59 to RSU 9 as of July 1, 2012. If Starks does not join RSU 9 as of July 1, 2012, the Town will then become a municipal school administrative unit, and the administration and governance of education for students residing in Starks, other than RSU 59 Enrolled Students, will be transferred accordingly. The Withdrawal Committee believes there is only a remote possibility the withdrawal of Starks from RSU 59 will result in the formation of a new municipal school administrative unit comprised solely of Starks.
16. **Superintendents' Agreements; Duration of List.** Nothing in this Withdrawal Agreement shall limit the availability or use of Superintendents' Agreements with respect to any student who is not an Enrolled Student under this Agreement.

17. **Dispute Resolution.** Any dispute between Starks, the New Starks SAU and RSU 59 (hereinafter individually a "Party" or collectively, the "Parties") arising out of or relating to this Agreement shall be resolved in accordance with this paragraph. Any Party may give written notice of a dispute arising out of or related to this Agreement to another Party or Parties in person or by certified mail, return receipt requested. The Parties to the dispute (hereinafter the "Affected Parties") shall attempt to resolve the matter through informal communication or negotiation for a period of thirty (30) days from the date of receipt of notice by the last Party to receive notice. If the dispute has not been resolved within thirty (30) days, any Party may serve written notice on the other Affected Parties of a request for mediation. The mediation shall be conducted in Maine by a mediator mutually agreeable to the Affected Parties, shall not exceed one full day or two half days in length, and shall be completed within ninety (90) days from the date of receipt of notice of a request for mediation by the last Affected Party to receive notice. If the Affected Parties are unable to agree on a mediator within thirty (30) days, or to resolve the dispute through mediation within 90 days, the dispute shall be submitted to arbitration in accordance with the procedures of the Maine Uniform Arbitration Act, 14 M.R.S.A. §5927 et seq.
18. **Applicability to Successor School Administrative Units.** Upon approval by the Maine Commissioner of Education and approval by a two-thirds majority vote of the Town of Starks, this Agreement shall be binding upon the Town of Starks, the New Starks SAU, and any successor school administrative units, and on RSU 59 and its successor school administrative units. Accordingly, the terms of this Agreement shall be incorporated by reference into any Reorganization Plan to which Starks, the New Starks SAU, or RSU 59, or their respective successor school administrative units, is or becomes a party.
19. **Termination.** This Agreement shall terminate upon the termination of the right to attend District schools under this Agreement of all of the students included on the Final List.
20. **State and Local Approval.** This Agreement is subject to approval by the Maine Commissioner of Education as required by 20-A MRS §1466(4)(B) and approval by a two-thirds vote at a referendum conducted in Starks as required by 20-A MRS §1466(9). By approval of this Withdrawal Agreement, the Maine Commissioner of Education agrees on behalf of the Maine Department of Education that the Essential Programs and Services allocations under 20-A MRS Chapter 606-B for RSU 59 Enrolled Students shall be assigned to RSU 59 in accordance with the terms of this Agreement.

Signed at Madison, this 30th day of November, 2011.

The Withdrawal Committee of the Town of Starks:



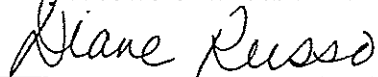
Ernest Hilton- Chair & Rep. from the General Public



Paul Frederic- Member & Rep. from Municipal Officers (Selectperson)



Kerry Hebert- Member & Petitioner



Diane Russo- Member & Rep. from MSAD 59/RSU 59 School Board

Signed at Madison, this 30th day of November, 2011.

RSU/SAD 59

By: _____



Troy Emery- Chair of the RSU No. 59 School Board
Duly Authorized

Signed at Augusta, this December 2, 2011

Approved as a Final Withdrawal Agreement under Title 20-A MRS §1466(5)



Stephen L. Bowen
Maine Commissioner of Education

Appendix D
SNYDER & JUMPER
ATTORNEYS AT LAW
THE CARRIAGE HOUSE
31 FORT HILL STREET, P.O. BOX 909
WISCASSET, MAINE 04578-0909

207-882-5500

January 31, 2012

ERVIN D. SNYDER
DENNIS J. JUMPER

FAX 207-882-7482
E-MAIL sjlaw@myfairpoint.net

Dr. Michael Cormier, Superintendent
RSU # 9 (Mt. Blue Regional School District)
115 Learning Land
Farmington, ME 04938

Re: Lawsuits, Administrative Actions, Notices of Claims

Dear Superintendent Cormier:

You have indicated that in connection with negotiations related to Starks becoming part of the school district you need to make disclosure regarding any known lawsuits, administrative actions or notices of claims.

Currently we are awaiting the ruling by an arbitrator on the claim of a custodial employee regarding his reassignment due to a reduction in force in which the employee is seeking some back pay and insurance coverage. That ruling is due on or before 2/5/12. There is good reason to be optimistic that the ruling will be in favor of the District.

I know of no pending or threatened litigation and have been advised of no notices of any pending claims. We have been made aware that there was an injury to an employee of a subcontractor during the demolition phase of a renovation contract at the Mt. Blue High School. No indication has been received that the school district has any alleged, either direct or indirect, responsibility related to that matter.

Sincerely,

Ervin D. Snyder

Ervin D. Snyder

CORSON & BLAISDELL, P.A.
ATTORNEYS-AT-LAW
160 MAIN STREET
P.O. BOX 250
MADISON, ME 04950-0250

Neal C. Corson
Lori A. Blaisdell

TELEPHONE (207) 696-3344
FAX (207) 696-0876
E-MAIL: cbmelaw@myfairpoint.net

February 1, 2012

RHR Smith & Company, C.P.A.'s
3 Old Orchard Road
Buxton, ME 04093

RE: Town of Starks

Dear Sir/Madame:

Whenever, in the course of performing legal services for the Town of Starks, with respect to a matter recognized to involve an unasserted possible claim or assessment that may call for financial statement disclosure, we have formed the professional conclusion that the Town of Starks should disclose or consider disclosure concerning such possible claim or assessment, as a matter of our professional responsibility to the Town of Starks, we will so advise the Town of Starks and will consult with the Town of Starks concerning the question of such disclosure and the applicable requirements of Statement of Financial Accounting Standards No. 5.

There are no unasserted possible claims or assessments of which we have knowledge or which we have advised the Town of Starks that are probable of assertion that must be disclosed in accordance with Statement of Financial Accounting Standards No. 5.

As of December 31, 2011, there is no pending or threatened litigation, claims or assessments, including unasserted claims, of which we are aware involving the Town of Starks.

As of December 31, 2011, the Town of Starks does not owe us any sums for any services and expenses either billed or unbilled.

Sincerely yours,



Neal C. Corson
NCC/klk

pc: Town of Starks